

**Sixty-seventh Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 5, 2021**

HOUSE BILL NO. 1027  
(Legislative Management)  
(Education Funding Formula Review Committee)

AN ACT to create and enact five new sections to chapter 15.1-27 of the North Dakota Century Code, relating to school district transportation aid payments; to amend and reenact section 15.1-31-05 of the North Dakota Century Code, relating to the transportation of open enrollment students; and to provide for a legislative management study.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1.** A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

**School district transportation of students - Payments.**

1. Subject to legislative appropriation, the superintendent of public instruction shall pay each school district providing schoolbus transportation in contract schoolbuses or in district-owned and operated schoolbuses, and each school district with students riding commercial buses to and from school within the incorporated limits of a city, the following amounts from state funds:
  - a. For schoolbuses and school vehicles transporting students:
    - (1) Fifty-two cents per mile [1.61 kilometers] for vehicles that have a capacity of fewer than ten students; and
    - (2) One dollar and eleven cents per mile [1.61 kilometers] for schoolbuses that have a capacity of ten or more students; and
  - b. Thirty cents per one-way trip for each student transported.
2. The superintendent of public instruction shall provide per mileage payments if:
  - a. A school district qualifies to receive payment pursuant to subsection 1; and
  - b. The school district operates schoolbuses in accordance with state law relating to schoolbus standards and school vehicle driver requirements. A school district shall certify compliance with state law relating to schoolbus standards and school vehicle driver requirements when applying for payment under this section. The superintendent of public instruction may adopt rules governing certification of compliance under this subdivision.
3. Subject to legislative appropriation, the superintendent of public instruction shall reimburse school districts fifty cents per day per mile [1.61 kilometers] one-way for each mile over two miles [3.22 kilometers] for students transported by family transportation in accordance with section 15.1-30-02, according to the distance between the home of the student and the school. The distance must be measured by the route from the front door of the school attended to the front door of the residence of the family of the student according to the most convenient public course traveled.
4. The superintendent of public instruction shall use the latest available student enrollment count in each school district in applying the provisions of this section, with the exception of the 2021-22 and 2022-23 school years, for which the superintendent of public instruction shall calculate each school district's payment based on the district's miles and ridership data from the 2018-19 school year or the previous school year, whichever is greater.

5. This section does not authorize the reimbursement of any costs incurred in providing transportation for students to attend extracurricular activities or events.

**SECTION 2.** A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

**School district transportation of special education students - Payments.**

1. Subject to legislative appropriation, the superintendent of public instruction shall pay each school district transporting students enrolled in special education programs approved by the superintendent of public instruction:
  - a. The amount provided in section 1 of this Act for vehicles that have a capacity of fewer than ten students if the school district is transporting fewer than ten students per vehicle;
  - b. The amount provided in section 1 of this Act for vehicles that have a capacity of ten or more students if the school district is transporting ten or more students per vehicle; and
  - c. The additional amount provided in section 1 of this Act, per one-way trip, for each student transported.
2. Subject to legislative appropriation, a school district entitled to payments under this section is entitled to receive transportation aid for all miles [kilometers] traveled and for all students transported, regardless of whether the students transported live within the incorporated limits of the city in which the students' school is located.
3. Subject to legislative appropriation, the superintendent of public instruction shall reimburse school districts fifty cents per day per mile [1.61 kilometers] if:
  - a. The student being transported has a disability, as defined in chapter 15.1-32;
  - b. The student has an individualized education plan that requires the student attend a public or nonpublic school located outside the student's school district of residence;
  - c. The student is transported by an adult family member in family provided transportation; and
  - d. The reimbursement does not exceed two round trips per day between the home of the student and the school.
4. Notwithstanding any other provision of law, the superintendent of public instruction, upon request from the school district, shall make the payments due to a school district under this section directly to a multidistrict special education unit.

**SECTION 3.** A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

**School district transportation of career and technical education students - Payments.**

1. Subject to legislative appropriation, the superintendent of public instruction shall pay each school district transporting students to and from schools in other school districts, to and from area career and technology centers, and to and from schools within the district for career and technical education courses offered through cooperative arrangements approved by the state board for career and technical education:
  - a. The amount provided in section 1 of this Act for vehicles that have a capacity of fewer than ten students if the school district is transporting fewer than ten students per vehicle;

- b. The amount provided in section 1 of this Act for vehicles that have a capacity of ten or more students if the school district is transporting ten or more students per vehicle; and
- c. The additional amount provided in section 1 of this Act, per one-way trip, for each student transported.
- 2. Subject to legislative appropriation, a school district entitled to payments under this section is entitled to receive transportation aid for all miles [kilometers] traveled and for all students transported, regardless of whether the students transported live within the incorporated limits of the city in which the students' school is located.
- 3. Notwithstanding any other provision of law, the superintendent of public instruction, upon request from the school district, shall make the payments due to a school district under this section directly to an area career and technology center.

**SECTION 4.** A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

**School district closure - Distribution of transportation payments.**

- 1. If a school district ceases to exist, the superintendent of public instruction shall calculate the amount of transportation payments to which the former school district would have been entitled for providing transportation services during the school district's final year of operation and shall pay a percentage of the amount certified to each school district in the state which enrolls students who attended the former school district during the prior school year. Each school district eligible for payment under this section is entitled to receive the percentage of the total amount certified which is the same as the percentage of the number of the district's students who attended the former school district during the prior school year bears to the total number of students who attended the former school district during the prior school year.
- 2. Subject to legislative appropriation, the superintendent of public instruction shall pay the amount to which a school district is entitled under this section in the manner and at the time provided for other state payments in section 15.1-27-01.

**SECTION 5.** A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

**State transportation payments to school districts.**

- 1. Subject to legislative appropriation, the superintendent of public instruction shall determine the total amount of payments to be made to the school districts for the transportation of students and shall pay the amount certified to each school district. Payments must be made in the same manner and at the time provided for other state payments in section 15.1-27-01. The superintendent of public instruction may not distribute more than one-half of the amount appropriated for transportation grants for any biennium in the first year of the biennium. If total transportation reimbursement claims exceed the amount appropriated by the legislative assembly, the superintendent of public instruction shall reduce transportation reimbursements on a prorated basis for all school districts requesting reimbursements.
- 2. A school district may not receive more than ninety percent of the actual costs incurred for the transportation of students.
- 3. For purposes of this section, actual costs include the transportation operating expenditures reported to the superintendent of public instruction for the most recent year plus the eight-year average cost of transportation equipment determined by the superintendent of public instruction. Any district having contracted for transportation services may determine the actual costs for the first year the district provides its own transportation services by using the statewide average cost of transportation during the first year.

**SECTION 6. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is amended and reenacted as follows:

**15.1-31-05. Open enrollment - Transportation.**

A school district of residence may provide transportation to a student participating in open enrollment. If a district of residence does not provide transportation to a student participating in open enrollment, transportation may be provided by the admitting district. A school district may not receive transportation aid disbursements under subdivision a of subsection 1 of section 1 of this Act or subsection 3 of section 1 of this Act for transporting students who are participating in open enrollment, or who are enrolled pursuant to a written contract entered by the sending and admitting districts which waives the charge and collection of tuition for the student.

**SECTION 7. LEGISLATIVE MANAGEMENT STUDY - CAREER AND TECHNICAL EDUCATION STUDENT TRANSPORTATION COSTS.** During the 2021-22 interim, the legislative management shall consider studying the impact of additional career and technical education center student transportation on student transportation costs. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

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Speaker of the House

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President of the Senate

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Chief Clerk of the House

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Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-seventh Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1027.

House Vote:      Yeas 83              Nays 9              Absent 2

Senate Vote:    Yeas 46              Nays 1              Absent 0

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Chief Clerk of the House

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2021.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2021.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2021,  
at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

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Secretary of State